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C O N F I D E N T I A L SECTION 01 OF 02 AMMAN 000460

SIPDIS

STATE FOR NEA/ELA, NEA/I, PRM, AND EEB

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TAGS: [ECON](#) [PREL](#) [PGOV](#) [PREF](#) [JO](#) [IZ](#)
SUBJECT: JORDAN TO EASE ENTRY AND RESIDENCY REQUIREMENTS
FOR IRAQI INVESTORS

Classified By: Ambassador R. Stephen Beecroft, for reasons 1.4(b) and (d).

¶1. (SBU) Summary: The Government of Jordan (GOJ) has drafted a new policy to ease regulations governing the entry and residence of Iraqi investors in Jordan. The goal is to improve business relations with Iraq, which became Jordan's third largest export market during the first eleven months of ¶2008. Expected changes aim to facilitate purchase of real estate and issuance of driver's licenses and residency permits. Although implementation mechanisms are still being developed, the new policy does not appear to grant broader rights to Iraqis seeking refuge in Jordan. End Summary.

New Regulations to Benefit Iraqi Investors

¶2. (SBU) Iraqi businessmen operating in Jordan have complained to the GOJ and Econoffs about onerous and time-consuming entry and residency procedures, which they assert hinder investments by Iraqis in Jordan and create tension with authorities. Although they have described reception at airports as generally good, Iraqi business people have found immigration processing and questioning at ports of entry--even for those with residency permits--to be tedious. Several have noted the need to apply at various GOJ entities to obtain driver's licenses and residency permits, to rent cars, or to purchase property. Additionally, according to the Jordan Investment Board, Iraqis currently must show a bank deposit of USD 150K to obtain a residency permit and must maintain a minimum balance of USD 75K to renew the permit each year. Some Iraqi businessmen have chosen an alternate path of opening up a local office, which automatically gives residency, but still entails a minimum capital requirement for foreign investors of JD 50,000 (\$70,000).

¶3. (U) In response to these complaints, local press reported on January 21 that King Abdullah directed the government to "take immediate and speedy measures to facilitate the entry of and residency of Iraqi citizens in the Kingdom." Although the GOJ is still deliberating the exact measures to be implemented, the Interior Minister reportedly revealed to press that the new directives would ease the strict definition of the term "investors" in order to accommodate new categories of people who would be allowed to come to Jordan with their families and cars. They would get Jordanian driving licenses, investor cards, and temporary passports, and their residency permits would be extended for five years. Note: In 2007, the GOJ ceased the practice of giving Jordanian passports without ID numbers to high net-worth Iraqi investors, which entitled them to all rights except voting. End Note.

¶4. (C) Prime Minister Nader al-Dahabi confirmed to the Ambassador that the new regulations target Iraqi investors with the aim of improving business relations between the two

countries. (Note: From January to November 2008, Jordanian exports to Iraq increased 53% to JD 517 million/\$730 million, making Iraq Jordan's third largest bilateral export market. End Note.) Chief of the Royal Court Nasser Lozi also noted separately to the Ambassador that new regulations would create a simpler, one-step approval process for Iraqis to obtain driver's licenses, property, and other necessary documents for doing business in Jordan.

Impact on Larger Iraqi Refugee Community Unclear

15. (SBU) Giulia Ricciarelli-Ranawat, UNHCR Jordan Senior Protection Officer, said that UNHCR had heard about the proposed change in Iraqi entry procedures through the media and was still gathering information to determine what, if any, implications the new directive could have on Iraqi refugees in Jordan. Likewise, International Organization for Migration (IOM) Regional Operations Center (ROC) project officer Mohamed Daoud told Embassy RefCord that IOM had received no prior notice from the GOJ about the King's directive and still needed to obtain more detailed information from the GOJ on the new regulations. Note: The ROC within the IOM Iraq office tracks Iraqi movements into and out of Jordan and advises the GOJ on migration issues. End Note.

Comment

16. (SBU) While the announcement of these pending changes has generated much attention in the press and international

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community in Jordan, the initial focus seems to be only on Iraqi investors. Post will continue to monitor any impact that such new regulations may have on the larger Iraqi refugee community.

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Beecroft